

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Chestnut Run Energy LLC

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Docket No. ER26-2771-000

**MOTION TO INTERVENE OUT OF TIME AND FOR LEAVE TO ANSWER AND
ANSWER OF PJM INTERCONNECTION, L.L.C.**

Pursuant to Rules 212, 213 and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”),¹ PJM Interconnection, L.L.C. (“PJM”) submits this Motion to Intervene Out of Time and for Leave to Answer and Answer in response to the Motion for Leave to Answer and Answer of Chestnut Run Energy LLC (“Chestnut Run”) submitted in the above captioned proceeding on June 23, 2026.² For the reasons set forth below and in its Protest, PJM respectfully requests that the Commission deny the Waiver Request and June 23 Answer for failure to satisfy the Commission’s standards for waiver.

I. INTRODUCTION

As explained in the Protest, the burden is on Chestnut Run to show that “(1) the applicant acted in good faith; (2) the waiver is of limited scope; (3) the waiver addresses a concrete problem; and (4) the waiver does not have undesirable consequences, such as harming third parties.”³ The

¹ 18 C.F.R. §§ 385.212, 385.213, 385.214(d) (2025).

² *Chestnut Run Energy LLC*, Motion for Leave to Answer and Answer of Chestnut Run Energy LLC, Docket No. ER26-2771-000 (June 23, 2026) (“June 23 Answer”). Chestnut Run filed the June 23 Answer in response to PJM’s Protest, filed in response to Chestnut Run’s Waiver Request. *See Chestnut Run Energy LLC*, Protest of PJM Interconnection, L.L.C., Docket No. ER26-2771-000 (June 18, 2026) (“Protest”); *Chestnut Run Energy LLC*, Request for Prospective, Limited Waiver, Shortened Comment Period and Expedited Commission Action of Chestnut Run Energy LLC, Docket No. ER26-2771-000 (June 9, 2026) (“Waiver Request”).

³ *Midcontinent Indep. Sys. Operator, Inc.*, 156 FERC ¶ 61,229, at P 15 (2016) (“MISO”) (stating the same four factors); *MDU Res. Grp., Inc.*, 155 FERC ¶ 61,081, at P 11 (2016) (“MDU”) (same).

Commission does not need to find that a waiver request fails to meet all of these criteria—failing only one of these criteria is enough to warrant denial of a waiver request.

Neither the Waiver Request nor the June 23 Answer satisfy the Commission’s standards for waiver, as it is not of limited scope, does not resolve a concrete problem, and would have undesirable consequences. The Commission should therefore deny the Waiver Request.

II. MOTION TO INTERVENE OUT OF TIME

PJM respectfully seeks leave to intervene in this proceeding out-of-time. Rule 214 permits late intervention when: (1) the movant had good cause for failing to file the motion within the relevant period; (2) the late intervention would not result in any disruption to the proceeding; (3) the movants interest is not adequately represented by any other parties to the proceeding; and (4) no prejudice or additional burden will fall upon the other parties as a result of permitting late intervention.⁴

This motion satisfies each of these requirements and should be granted. First, good cause exists for not intervening within the relevant period. While PJM was aware of the underlying filing, as demonstrated in its timely Protest,⁵ it was not apparent at the time of the intervention deadline that Chestnut Run would submit a letter under seal to demonstrate that Chestnut Run is facing delays in procuring its GE HA.03 Model, or that utilizing the GE HA.03 Model would help

⁴ See 18 C.F.R. § 385.214(d).

⁵ See generally Protest.

Chestnut Run achieve commercial operation in 2030.⁶ Only, after Chestnut Run submitted its June 23 Answer under seal, did it become apparent to PJM.⁷

Second, PJM seeks to intervene promptly, only eight days after the intervention deadline. As previously explained, PJM submitted its Protest in a timely manner, therefore PJM's late intervention will not result in any disruption to this proceeding. Third, as the regional transmission organization ("RTO") for the PJM Region, and administrator of the PJM Open Access Transmission Tariff ("Tariff") and its interconnection process related to the Waiver Request, PJM has a substantial interest in this proceeding that cannot be represented by any other party. Fourth, PJM accepts the record developed to date and, therefore, PJM's participation in this proceeding will not prejudice the interest of any other party. As the Commission has recognized the importance of hearing from the RTO when requests for waiver of tariff provisions are at issue,⁸ PJM therefore requests permission to intervene out-of-time in this proceeding pursuant to Rule 214, to allow PJM to participate fully as a party to this proceeding.

III. MOTION FOR LEAVE TO ANSWER

The Commission's Rules of Practice and Procedure generally do not permit answers to answers, but this prohibition can be waived for good cause.⁹ The Commission has done so in

⁶ June 23 Answer at Exhibit B (Public Version) ("GE Letter"). June 23 Answer at Exhibit C (Public Version) (Protective Agreement requiring that all "Privileged Material and/or CEII shall be made available under the terms of this Protective Agreement only to Participants and only to their Reviewing Representatives as provided in Paragraphs 6-10 of this Protective Agreement.").

⁷ *Id.* Based on the Waiver Request, PJM was under the impression that Chestnut Run did not have documentary evidence to demonstrate its delay in equipment procurement as it expected to see such evidence in the Waiver Request. Based on the date of the GE Letter, it appears none existed until after the Waiver Request was filed.

⁸ *Kumquat & Citron Cleantech*, 175 FERC ¶ 61,263, concur op. (Commissioner Danly) at P 2 (2021); *Leeward Renewable Energy, LLC*, 175 FERC ¶ 61,079, dissent op. (Commissioner Danly) at P 5 (2021); *TGE Pa. 202, LLC*, 175 FERC ¶ 61,080, dissent op. (Commissioner Danly) at P 5 (2021).

⁹ *See* 18 C.F.R. §§ 385.101(e), 385.213(a)(2).

circumstances where the answer would ensure a more complete record,¹⁰ lead to a better understanding of the issues in the proceeding, or assist the Commission in its decision-making process.¹¹

Good cause exists to grant this Motion for Leave to Answer. Chestnut Run once again misstates the impact its Waiver Request would have on PJM and other projects in TC2. Similar to the Waiver Request, the June 23 Answer does not satisfy the Commission’s standards for waiver. This answer will assist the Commission with its decision-making process and clarify the issues in this proceeding. PJM therefore respectfully requests that the Commission grant this Motion for Leave to Answer.

IV. ANSWER

A. The Waiver Request is Not Limited in Scope.

As the June 23 Answer states, the Commission has previously found that a “waiver request is limited in scope’ when ‘[t]he waiver applies only to . . . the unique circumstances’ specific to those facilities.”¹² Chestnut Run asserts that the Waiver Request is limited in scope, “as it would facilitate a project-specific solution that is uniquely tailored to the Facility, and that would apply only to the Facility with regard to this specific equipment change scenario, and not to any other generator project.”¹³ Despite Chestnut Run’s assertions, seeking waiver on four separate provisions of PJM’s Tariff is not limited in scope. Furthermore, it is not uncommon for Project

¹⁰ See, e.g., *High Island Offshore Sys., L.L.C.*, 113 FERC ¶ 61,202, at P 8, *order on reh’g*, 113 FERC ¶ 61,280 (2005).

¹¹ See, e.g., *Hudson River-Black River Regulating Dist.*, 183 FERC ¶ 61,187, at P 9 n.21, *order on reh’g*, 185 FERC ¶ 61,034 (2023); *E. Shore Nat. Gas Co.*, 181 FERC ¶ 61,233, at P 9 n.17 (2022); *Tri-State Generation and Transmission Ass’n, Inc.*, 179 FERC ¶ 61,118, at P 34, *order addressing arguments raised on reh’g*, 181 FERC ¶ 61,037 (2022); *S. Cal. Edison Co.*, 141 FERC ¶ 61,100, at P 5 (2012).

¹² June 23 Answer at 9 (citing *Constellation Energy*, 195 FERC ¶ 61,162, at P 43 (2026) (finding that a “waiver request is limited in scope because . . . [t]he waiver applies only to the CIR transfer between [facilities at issue] . . . under the unique circumstances” specific to those facilities)).

¹³ Waiver Request at 14 (citation omitted).

Developers to seek modifications to their equipment models.¹⁴ The Waiver Request therefore is not limited in scope and should be denied.

B. The Waiver Request Will Not Address a Concrete Problem.

Attached to the June 23 Answer is a letter from GE Verona, dated June 22, 2026, stating that there is a delay in procuring the GE Vernova HA.03 model (“GE HA.03 Model”) and that utilizing the GE Vernova HA.02 model (“GE HA.02 Model”) will “enable Chestnut Run to achieve a [C]ommercial [O]peration date ... as close to its targeted May 2030 [day] as possible.”¹⁵ Notwithstanding the fact that the GE Letter was prepared after the Waiver Request was filed,¹⁶ the June 23 Answer does not address the central issues raised in the Protest. Even if the Commission granted the Waiver Request, there is no guarantee that Chestnut Run will not encounter delays in procuring the GE HA.02 Model.

As indicated in the GE Letter, Chestnut Run and GE Verona are currently negotiating their Reservation Agreement. Notably, Chestnut Run does not confirm in its Waiver Request or June 23 Answer, whether it entered into a Reservation Agreement for the GE HA.03 Model.¹⁷ Whether Chestnut Run has entered into a Reservation Agreement or not, the Waiver Request still does not address a concrete problem. On one hand, if Chestnut Run entered into a Reservation Agreement and is still experiencing delays with procuring the HA.03 Model, there is no guarantee that it will

¹⁴ The Tariff contemplates such scenarios where Project Developers, **with Interconnection Agreements**, seek modifications of previously studied equipment configurations. Tariff, Part IX, Subpart B, App. 2, section 3.1; Tariff, Part IX, Subpart G. See *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER26-1445-000 (May 21, 2026) (accepting Necessary Studies Agreement for Planned Modifications consisting of inverter skid changes); *PJM Interconnection, L.L.C.*, Letter Order, Docket No. ER26-2288-000 (May 21, 2026) (accepting Necessary Studies Agreement for Planned Modifications consisting of inverter manufacturer and model, the number of inverters, the step-up transformer size and model, and the total number of transformers).

¹⁵ June 23 Answer at Exhibit B (Public Version).

¹⁶ *Id.* The GE Letter is dated June 22, 2026.

¹⁷ *Id.*

not experience any delays in procuring the HA.02 Model. On the other hand, if Chestnut Run has not entered into a Reservation Agreement for the GE HA.03 Model since its Reliability Resource Initiative (“RRI”) Project was selected on May 2, 2025, then Chestnut Run has not made “commercially reasonable best efforts” to achieve the dates in its critical path schedule as required for RRI Projects.¹⁸ In other words, the concrete problem Chestnut Run complains of is a result of its own inactions. When considering whether a waiver addresses a concrete problem, the Commission has made it clear that its consideration is whether the waiver addresses a concrete problem that must be remedied.¹⁹ A problem caused by Chestnut Run’s inactions is not a concrete problem that must be remedied by waiver. Accordingly, the Waiver Request should be denied.

C. The Waiver Request Would Result in Undesirable Consequences, Including Harm to Third Parties.

Chestnut Run points to Tariff, Part VII, Subpart D, section 311(B)(4)(b), which allows Project Developers in TC2 without RRI Projects to reduce their previously requested Maximum Facility Output (“MFO”) and Capacity Interconnection Rights (“CIRs”) up to 10% of the values studied in Phase II, as support for why its Waiver Request will not be harmful to third parties.²⁰ Chestnut Run further suggests that “PJM should be doing everything in its power to ensure that generation projects in its interconnection queue can deliver needed capacity quickly, rather than opposing a one-time, limited, project-specific waiver”²¹ of its Tariff provisions.

¹⁸ Tariff, Part VII, Subpart C, section 306(E)(4)(b)(i) (“Applicant must submit a critical path construction schedule showing how it will achieve its commercial operation date, which must be set forth in the schedule, and an attestation executed by an officer or authorized representative of the Applicant, verifying the accuracy of the information, including all dates, and certifying that the Applicant will exercise commercially reasonable best efforts to achieve these dates.”).

¹⁹ The Commission has made it clear that its consideration is whether the waiver addresses a concrete problem that must be remedied. *See NRG Curtailment Sols., Inc.*, 160 FERC ¶ 61,006, at P 16 (2017); *MISO* at P 16; *MDU* at P 18.

²⁰ June 23 Answer at 13.

²¹ *Id.* at 3.

Despite Chestnut Run’s assertions, PJM has made several efforts to further refine and enhance PJM’s interconnection process and expedite resource interconnection, including the addition of the RRI to its Tariff.²² Among all of its initiatives, the overarching purpose remains the same: to expedite resource interconnection in a way that is just and reasonable and not unduly discriminatory. To that accord, in exchange for being added to TC2, RRI Projects are subject to additional Tariff requirements specific to RRI, not otherwise applicable to any other New Service Requests in TC2.²³ Therefore the reductions in MFO and CIRs permitted in Tariff, Part VII, Subpart D, section 311(B)(4)(b), is purposefully not applicable to RRI Projects, nor relevant to the Waiver Request.

Chestnut Run argues that “PJM does not rebut [the third party consultant’s] technical conclusion” raised in the Waiver Request,²⁴ and therefore demonstrates that the Waiver Request will not have undesirable consequences. As previously stated,²⁵ without running its own analysis,

²² Among these initiatives included proposed Tariff revisions regarding (1) PJM’s Replacement Generation Interconnection Service, to enhance the efficiency of CIR Transfers, to bring replacement generation resources online quickly and ensure reliability; (2) Surplus Interconnection Service, to streamline the use of any unused portion of Interconnection Service for a facility that cannot or does not operate continuously, every hour of every day, year-round; and more recently (3) the Expedited Interconnection Track, to provide a temporary, expedited interconnection process outside of PJM’s Cycle process to get advanced projects of significant size interconnected more quickly to address PJM’s urgent need for additional Capacity Resources. *PJM Interconnection, L.L.C.*, Tariff Revisions for Reliability Resource Initiative of PJM Interconnection, L.L.C., Docket No. ER25-712-000 (Dec. 13, 2024) (“RRI Filing”); *PJM Interconnection, L.L.C.*, Proposed Tariff Amendments for Replacement Generation Interconnection Service of PJM Interconnection, L.L.C., Docket No. ER26-403-000 (Oct. 31, 2025); *PJM Interconnection, L.L.C.*, Proposed Tariff Amendments for Surplus Interconnection Service of PJM Interconnection, L.L.C., Docket No. ER25-778-000 (Dec. 20, 2024); *PJM Interconnection, L.L.C.*, Proposed Tariff Amendments for Expedited Interconnection Track of PJM Interconnection, L.L.C., Docket No. ER26-1563-000 (Feb. 27, 2026).

²³ Tariff, Part VII, Subpart C, section E (Additional Provisions Applicable to RRI Projects). As the Commission states in its Order accepting the RRI Filing, “[w]e find that PJM has structured its proposal to minimize the impact on its interconnection queue and that the ability of RRI projects to be studied as part of Transition Cycle #2 does not render PJM’s proposal unjust and unreasonable or unduly discriminatory.” *PJM Interconnection, L.L.C.*, 190 FERC ¶ 61,084, at P 242, *reh’g denied*, 192 FERC ¶ 61,085 (2025).

²⁴ June 23 Answer at 12.

²⁵ Protest at 8.

PJM cannot opine on the analysis completed by Chestnut Run, therefore Chestnut Run’s assertions regarding harm to third parties is inconclusive and does not justify waiver.

The June 23 Answer glosses over the concerns raised in the Protest, in that “[b]oth the Phase I and Phase II System Impact Studies, which are now complete, were conducted based on the assumptions and commitments provided to PJM in the TC2 Applications.”²⁶ Therefore the “[c]onfiguration changes proposed in the Waiver Request will incur modeling update changes for multiple bodies of analysis that will require time to incorporate.”²⁷ Any such studies would introduce substantial delays to TC2, which, in turn, would have a ripple effect on the remainder of PJM’s Cycle schedule. In addition, because TC2 is studied as a cluster, changing modeling parameters for one project could alter the entire study case, and consequently, the study results for all other projects in TC2.

Chestnut Run states that “even assuming *arguendo* that PJM’s generalized assertions about modeling updates or administrative burden carried any weight, those assertions cannot outweigh the concrete and unrebutted benefits of granting the Waiver Request.”²⁸ For the reasons stated above in Section III.B, there is no guarantee that the Waiver Request will result in the Chestnut Run Facility reaching commercial operation on or around May of 2030. At best, the benefit of the Waiver Request would be that Chestnut Run will be able to amend its Interconnection Request. Nonetheless the Commission has recognized, the “Commission’s four-factor waiver test is not a balancing test. Rather, it requires that *each* of the four factors be satisfied in order for waiver to

²⁶ *Id.*

²⁷ *Id.*

²⁸ June 23 Answer at 12 (footnote omitted).

be appropriate.”²⁹ Therefore Chestnut Run’s assertions of any “concrete and unrebutted benefits of granting the Waiver Request”³⁰ do not justify waiver.

Finally, as a way to “eliminate any potential remaining concerns about negative impacts to third parties that may arise from granting the Waiver Request,”³¹ Chestnut Run,

commits to directly reimbursing PJM for any such documented, prudently incurred, incremental costs related to effectuating the Facility’s equipment change and related MFO/CIR reduction (including, but not limited to, any fees required to expedite any interconnection study work).³²

Chestnut Run’s commitment suggests that Chestnut Run does see potential for undesirable consequences from its Waiver Request. On this basis alone, the Waiver Request should be denied.

In any event, PJM rejects the commitments made in the June 23 Answer. Notwithstanding the fact that Chestnut Run already committed to developing a 1300 MW facility and is now seeking to evade its self-inflicted obligations, PJM rejects the suggestion that a Project Developer may buy their way out of complying with the Tariff.

V. CONCLUSION

For the reasons set forth above, the Waiver Request does not satisfy the Commission’s standards for waiver, as it is not of limited scope, does not resolve a concrete problem, and would have undesirable consequences. Accordingly, the Waiver Request should be denied. To the extent the Commission grants the Waiver Request, PJM respectfully requests that the scope of the order

²⁹ See *Lookout Solar Park I, LLC*, 177 FERC ¶ 61,127, dissent op. (Commissioner Christie) at P 3 and 5 (2021) (“The majority cannot wish away one factor of the Commission’s four factor waiver test simply because it believes other, unrelated factors weigh in favor of granting the waiver.”); *South Shore Energy, LLC*, 166 FERC ¶ 61,221 at P 24 (2019) (“We conclude that Applicants have not shown that the Waiver Request satisfies the fourth prong of these waiver criteria, and therefore, we deny the request for waiver.”).

³⁰ June 23 Answer at 12.

³¹ *Id.* at 13.

³² *Id.* at 14.

be confined to the relief sought in the Waiver Request. Therefore, unless explicitly raised in the Waiver Request, all other Tariff provisions, as applicable, shall remain in effect and not waived.

Respectfully submitted,

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June 29, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated in Audubon, Pennsylvania, this 29th day of June, 2026.

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